

NOV 15 2018

Mr. Juan Campos
California Resources Production Corp.
111009 River Run Blvd.
Bakersfield, CA 93309

Re: Final - Authority to Construct / Certificate of Conformity (Significant Mod)
Facility Number: S-8282
Project Number: S-1183422

Dear Mr. Campos:

The Air Pollution Control Officer has issued Authority to Construct (ATC) S-8282-210-0 with a Certificate of Conformity to California Resources Production Corp. in western Kern County. The permit is for a micro turbine. Enclosed are the ATC and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue the ATC was published on 9/15/18. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on 9/12/18. No comments were received following the District's preliminary decision on this project.

Prior to operating with the modifications authorized by the ATC, you must submit an application to modify the Title V permit as an administrative amendment in accordance with District Rule 2520, Section 11.5. Application forms are found on the District's website at www.valleyair.org/permits/TVforms.

Samir Sheikh

Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585

Mr. Juan Campos
Page 2

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

A handwritten signature in blue ink, reading "Arnaud Marjollet". The signature is written in a cursive style with a large initial "A" and a long horizontal stroke at the end.

Arnaud Marjollet
Director of Permit Services

Enclosures

cc: Tung Le, CARB (w/enclosure) via email
cc: Gerardo C. Rios, EPA (w/enclosure) via email

Facility # S-8282
CALIFORNIA RESOURCES PRODUCTION CORP
11109 RIVER RUN BLVD
BAKERSFIELD, CA 93311

AUTHORITY TO CONSTRUCT (ATC)

QUICK START GUIDE

1. **Pay Invoice:** Please pay enclosed invoice before due date.
2. **Modify Your Title V Permit.** Prior to operating the equipment authorized under this ATC, submit an application to modify your Title V permit. See application forms at <http://www.valleyair.org/permits/TVforms>.
3. **Fully Understand ATC:** Make sure you understand ALL conditions in the ATC prior to construction, modification and/or operation.
4. **Follow ATC:** You must construct, modify and/or operate your equipment as specified on the ATC. Any unspecified changes may require a new ATC.
5. **Notify District:** You must notify the District's Compliance Department, at the telephone numbers below, upon start-up and/or operation under the ATC. Please record the date construction or modification commenced and the date the equipment began operation under the ATC. You may NOT operate your equipment until you have notified the District's Compliance Department. A startup inspection may be required prior to receiving your Permit to Operate.
6. **Source Test:** Schedule and perform any required source testing. See http://www.valleyair.org/busind/comply/source_testing.htm for source testing resources.
7. **Maintain Records:** Maintain all records required by ATC. Records are reviewed during every inspection (or upon request) and must be retained for at least 5 years. Sample record keeping forms can be found at http://www.valleyair.org/busind/comply/compliance_forms.htm.

By operating in compliance, you are doing your part to improve air quality for all Valley residents.

**For assistance, please contact District Compliance staff at
any of the telephone numbers listed below.**

Samir Sheikh

Executive Director/Air Pollution Control Officer

Northern Region

4800 Enterprise Way
Modesto, CA 95356-8718

Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)

1990 E. Gettysburg Avenue
Fresno, CA 93726-0244

Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region

34946 Flyover Court
Bakersfield, CA 93308-9725

Tel: 661-392-5500 FAX: 661-392-5585

AUTHORITY TO CONSTRUCT

PERMIT NO: S-8282-210-0

ISSUANCE DATE: 11/02/2018

LEGAL OWNER OR OPERATOR: CALIFORNIA RESOURCES PRODUCTION CORP
MAILING ADDRESS: 11109 RIVER RUN BLVD
BAKERSFIELD, CA 93311

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

EQUIPMENT DESCRIPTION:

2.28 MMBTU/HR NATURAL GAS/FIELD GAS FIRED CAPSTONE MODEL C200 MICRO TURBINE POWERING A 200 KW ELECTRICAL GENERATOR (VARIOUS UNSPECIFIED LOCATIONS IN THE BUENA VISTA NOSE LEASE)

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOX emission reduction credits for the following quantity of emissions: 1st quarter - 213 lb, 2nd quarter - 213 lb, 3rd quarter - 214 lb, and fourth quarter - 214 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. ERC Certificate Number S-4484-2 (or certificates split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
5. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]

CONDITIONS CONTINUE ON NEXT PAGE

YOU **MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT.** This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Samir Sheikh, Executive Director / APCO



Claude Marjollet, Director of Permit Services

S-8282-210-0 Nov 2 2018 2:00PM - TORID : Joint Inspection NOT Required

6. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]
7. Turbine may be operated within the Buena Vista Nose lease only [District Rule 4102]
8. This unit shall not be operated within 815 meters of the nearest receptor or boundary. [District Rule 4102]
9. This unit shall not be operated within 1,000 feet of any K-12 school. [District Rule 4102]
10. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
11. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
12. Emission rates from this unit shall not exceed any of the following limits: NO_x (as NO₂) - 9.0 ppmvd @ 15% O₂; VOC - 5 ppmvd @ 15% O₂; CO - 19 ppmvd @ 15% O₂; or PM₁₀ - 0.0066 lb/MMBtu. [District Rules 2201 and 4201] Federally Enforceable Through Title V Permit
13. The turbine shall only burn produced gas and/or PUC quality gas with a fuel sulfur concentration not exceeding 1.0 gr/100 dscf. [District Rules 2201 and 4801] Federally Enforceable Through Title V Permit
14. Permittee shall measure and record fuel gas sulfur content (H₂S) within 60 days of initial start-up, upon any change in the gas fuel source, and at least once every 12 months thereafter. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Permittee shall determine sulfur content of gas consumed by the turbine using ASTM method D3246 or double GC for H₂S and mercaptans. [District Rule 2201] Federally Enforceable Through Title V Permit
16. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ within 60 days of initial start-up at each location and at least once every 12 months thereafter, using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. [District Rule 2201] Federally Enforceable Through Title V Permit
17. If either the NO_x or CO concentrations corrected to 15% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rule 2201] Federally Enforceable Through Title V Permit
18. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rule 2201] Federally Enforceable Through Title V Permit
19. The permittee shall maintain records of: (1) the date and time of O₂ and NO_x measurements, (2) the O₂ concentration in percent and the measured NO_x concentration corrected to 15% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Permittee shall maintain an accurate record of each location where this turbine is operated and the sulfur content (H₂S) of the gas from each fuel source. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
21. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070] Federally Enforceable Through Title V Permit